

My name is Liz Moore, and I am a special projects coordinator at Rocky Mountain Development Council, the human resource development council here in Helena.

One of the programs I oversee is the Montana Youth Homes – which we brought into Rocky Mountain Development Council in July, 2008. Montana Youth Homes is a relatively small provider: 16 beds in a combination of emergency shelter and long term group home in each of the two homes – total annual budget of roughly \$800,000.

When MYH came into RMDC, the organization was barely limping along. They were living off of savings from a building they had sold, and two homes had been combined into one due to lack of supervision and safety for clients. Even with just one home, kids were blowing out of the program almost as quickly as they came in.

Fast forwarding: we have spent the past 2.5 years turning Montana Youth Homes around. We moved from one home back to two and brought the wages up to the group home standard in our community; we moved our services up a notch or two to provide case management and more intensive, better qualified staff support– and increased our rate structure in the process. We were learning as we went, and the simple marker for us was “what will it take to go through a weekend without having kids go on run or have to call the police.” Our more sophisticated vision was that we were no longer willing to be a holding place for kids. We wanted them to make progress while they were with us: to participate in home life, to practice relationships, to go to school and work, to set goals that could help them navigate toward adulthood.

It took a while, but we got there. With RMDC’s financial support, we had “permission” to figure out what it would take to create a program strong enough to hold the kids. Today our two homes run between 80-95% full. They are both non-therapeutic, so it costs the state a great deal to use our beds; an indication of our quality and the relationships we have with our referring agents is that they continue to place with us even during tight budget times. *thank you to the department.* But here’s the hard news: in order to accomplish what we did, last fiscal year we went \$15,000 in the hole per month with Montana Youth Homes. This year we have slowed that to \$10,000 per month in the hole. If it weren’t for RMDC, we would be out of business. We are not sustainable. So we are exploring our options.

When Rocky first brought MYH on – we went to various stakeholders at the local and state level – and they all told us what they needed was non therapeutic services. Non-therapeutic is tough: its expensive for referring agents, yet the reimbursement is less than half of what the therapeutic reimbursement rate

is. We recognize that high quality non-therapeutic options are an asset to the clients and our referral sources. But we simply cannot make it work financially, so we are now in the process of requesting our girls home become therapeutic. Our reimbursement will increase because of Medicaid, and the cost to the state will decrease when they place with us. Many of the girls we are currently serving would be eligible for therapeutic – though it's worth noting we've been able to successfully serve them at a lower level through good staff, quality programming, and strong community partnerships. How frustrating to change a structure that's working because the reimbursement rate is so far under what it takes to provide the services.

We think about fundraising to make up the difference – and many group homes have terrific fundraisers. An example is Paint the Town Pink – a wonderful fundraiser for Florence Crittenton that's coming up on February 12. (And that's an official plug.) But RMDC is not really a fund-raising organization. We primarily operate programs that are federally funded such as Weatherization and LIEAP, Head Start, Foster Grandparents, etc. It would take us several years to get development efforts to a level that we could rely on to sustain Montana Youth Homes. We don't have that kind of time.

So we're exploring options. Our hope is to create a continuum of sorts in which we have therapeutic along with some shelter and some longer term beds. That will still put us in the hole every year, but not at the level we're experiencing now. By the way – we have some options we're not going to pursue: we're not going to diminish our quality. We're not going to go back to the days of having unqualified, untrained staff who doesn't know what to do when kids are creating a mosh pit in the living room at 2:00 a.m. We will close the doors before we do that.

What is the bottom line? Montana Youth Homes, like others in the state, already doesn't break even. We are upholding our responsibility in exactly the way you want us to –taking good care of the kids you place with us and thinking through various business scenarios to make it work. I'm not here to ask that you make it easier, but I would appreciate it not getting more difficult. Montana Youth Homes and Rocky Mountain Development Council support the Child and Family Services Division budget recommended by the governor, and we respectfully ask that you do the same.

Thank you.